GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2369
ANSWERED ON:13.03.2001
SICK FERTILIZER UNITS
KANTI SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the names of sick and closed fertilizer units at present;

(b) whether any provision has been made in the Ninth Five Year Plan for their revival and modernisation;

(c) if so, the details of each unit proposed to be modernise/revived during the plan period;

(d) whether any such unit proposed to be disposed of by the Government; and

(e) if so, the details in this regard, unit-wise?

Answer

THE MINISTER OF CHEMICALS & FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a) to (e): Out of the nine fertilizer Public Sector Undertakings (PSUs) and two Cooperatives under the administrative control of this Department, Fertilizers Corporation of India Ltd.(FCI), Hindustan Fertilizers Corporation Ltd. (HFC), Projects and Development India Ltd. (PDIL) and Pyrites, Phosphates and Chemicals Ltd. (PPCL) have been declared sick by the Board for Industrial and Financial Reconstruction (BIFR). Production at the following plants of fertilizer PSUs had to be suspended for reasons of safety/feedstock limitation or on account of non-viable operations:

1. Ammonia-Urea units at Gorakhpur (Uttar Pradesh), Ramagundam (Andhra Pradesh) and Talcher (Orissa) of FCI.

2. Ammonia-Urea units at Durgapur & Haldia Fertilizer Project (West Bengal), Barauni (Bihar) and Namrup-I & II (Assam) of HFC.

3. Dehradun (Mussoorie Phos) (Uttaranchal), Amjhore (Bihar) and Saladipura (SSP) (Rajasthan) Units of PPCL.

4. Urea-I unit of Rashtriya Chemicals & Fertilizers Ltd. (RCF) at Trombay (Maharashtra).

The Government has approved the revamp of Namrup units of HFC at an estimated fresh investment of Rs 350 crore out of which an amount of Rs. 131.69 crore has been released during 1998-99 to 2000-01. The Ammonium Sulphate plant of Namrup-I is to be scrapped as it has been found to be unviable and unsafe to operate.

A decision has already been taken by the Government to close/hive-off the Haldia Fertilizer Project of HFC and Gorakhpur plant of FCI as they have not been found techno- economically feasible. Efforts are on to enable KRIBHCO to set up a new fertilizer plant at the existing site at Gorakhpur.

Comprehensive rehabilitation proposals for Ramagundam and Talcher units (FCI), Durgapur and Barauni units (HFC) on the basis of unitwise techno-economic viability and restructuring proposals of Dehradun, Amjhore and Saladipura units of PPCL and PDIL are to be submitted to the competent authority shortly in the Government and thereafter for final sanction of BIFR.

The restart of RCF's Trombay-I urea plant has not been found techno-economicallyviable and the company has decided not to operate this plant.